

THE HOUSING AUTHORITY OF THE
CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
REPORT ON EXAMINATION
OF
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA
YEAR ENDED SEPTEMBER 30, 2013

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

SHREVEPORT, LOUISIANA

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YEAGER & BOYD, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS
5501 HIGHWAY 280
BIRMINGHAM, ALABAMA 35242
(205) 991-5506
FAX (205) 991-5450

Board of Commissioners
Housing Authority of the City of Shreveport
Shreveport, Louisiana

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of The Housing Authority of the City of Shreveport as of and for the year ended September 30, 2013, and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of September 30, 2013, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 7 through 13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying Financial Data Schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Further, other supplementary data as listed in the table of contents is presented for the Department of Housing and Urban Development information and is not a required part of the financial statements. The accompanying Summary Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and is not a required part of the basic financial statements.

The Financial Data Schedule, supplementary data and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting data and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting data and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 24, 2014 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Birmingham, Alabama
June 24, 2014

Yeager & Boyd

Yeager & Boyd

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Authority of the City of Shreveport
Shreveport, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Authority, as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 24, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Finding 13-01 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are reported under *Government Auditing Standards* as findings 13-02 and 13-03.

Response to Findings

The Authority's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Authority's responses and, accordingly we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Birmingham, Alabama
June 24, 2014

Yeager & Bond

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

SHREVEPORT, LOUISIANA

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Commissioners
Housing Authority of the City of Shreveport
Shreveport, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Authority's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the Authority's major federal programs for the year ended September 30, 2013. The Authority's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Program

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2013.

Other Matters

The results of our tests disclosed instances of noncompliance or other matters that are reported under *Government Auditing Standards* as findings 13-02 and 13-03 .

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the *OMB Circular A-133*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a *material weakness in internal control over compliance*, yet important enough to merit the attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be *material weaknesses* or *significant deficiencies*. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above. However, material weaknesses may exist that have not been identified.

The Authority's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Authority's responses and, accordingly we express no opinion on them.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of our testing based on the requirements of *OMB Circular A-133*. Accordingly, this report is not suitable for any other purpose.

Yeager & Bond

Birmingham, Alabama
June 24, 2014

Management's Discussion and Analysis

The Housing Authority of the City of Shreveport, Louisiana September 30, 2013

Preamble

The Housing Authority of the City of Shreveport ("hereinafter called the "Authority") is an autonomous, quasi-governmental entity (referred to as a special-purpose government by GASB Statement Number 34) which is predominately funded through the United States Department of Housing and Urban Development operating subsidies and modernization of capital grants. Even though the Authority collects rent from its tenants, without HUD funding, the Authority would not be able to sustain its operations and activities.

Presentation

The requirements of GASB Statement No. 34 mandate all local governmental financial statements to include a Management Discussion & Analysis (MD&A). The goal of the MD&A is to give readers an objective and easily readable overview of the Authority's financial performance. The MD&A is designed to focus on the Authority's most relevant financial information regarding overall financial performance to aid users on assessing whether financial position has improved or deteriorated as a result of the year's operations. Hereinafter, the Authority will briefly discuss the enclosed financial statements and will describe, as well, the currently known facts, decisions, or conditions expected to have a significant impact on financial position or the results of operations.

FINANCIAL HIGHLIGHTS

- The Authority's Net Position decreased at year end by \$582,427. Since the Authority engages only in business-type activities, the decrease is all in the category of business-type Net Position. Net Position was \$21,774,452 and \$21,192,025 for 2012 and 2013 respectively.
- The Authority's revenues increased by \$2,603,959 during 2013. Revenues were \$12,489,073 and \$15,093,032 for 2012 and 2013 respectively.
- Total program expenses of the Authority's programs decreased by \$2,850,733. Total expenses were \$18,526,192 and \$15,675,459 for 2012 and 2013 respectively.

REVIEW OF THIS ANNUAL REPORT

The following information is for review and consideration:

MD&A

Management's Discussion and Analysis

Basic Financial Statements

Authority Wide Financial Statements
Notes to the Financial Statements

Other Required Supplementary Information

Required Supplementary Information

Authority-Wide Financial Statements

The Authority-wide financial statements (see Tables 1 thru 4) are designed to be corporate-like.

These Statements include a Statement of Net Position, which is similar to a Balance Sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets, minus liabilities, equal "Net Position", formerly known as equity. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year), and "Non-current".

The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Position (formerly equity) is reported in three broad categories:

Net Investment in Capital Assets: This component of Net Position consist of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: This component of Net Position consist of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Position: Consist of Net Position that does not meet the definition of "Net Investment in Capital Assets", or "Restricted Net Position".

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Net Position (similar to an Income Statement). This Statement includes Operating Revenues, such as rental income and HUD subsidies, Operating Expenses, such as administrative, utilities, maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Net Position is the "Changes in Net Position", which is similar to Net Income or Loss.

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

Enterprise Fund

The Authority consists exclusively of an Enterprise Fund. Enterprise funds utilize the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by the private sector accounting.

Significant Programs of the Authority:

Low Rent Public Housing – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties.

Capital Fund Program – Under the Capital Fund Program, the Authority administers various constructions contracts to maintain the apartments long term viability.

Housing Choice Vouchers Program – Under the Housing Choice Vouchers Program, the Board administers contracts with independent landlords that own the property. The Board subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Board to structure a lease that sets the participants' rent at 30% of household income.

Section 8 New Construction - The Section 8 New Construction Program was established by the United States Department of Housing and Urban Development in order to provide rental assistance in connection with the development of newly constructed or substantially rehabilitated privately owned rental housing.

Central Office Cost Center (COCC) – The Authority established the COCC to manage and oversee the operations of the Public Housing Developments, Housing Choice Vouchers Program, and other grant programs. Utilizing a "fee for service" approach, the COCC recognizes revenues through management and service fees charged to the other programs. Management fees cannot exceed the "safe harbor" amount established by HUD.

Other smaller programs are:

ARRA
State and Local
Business Activities
HOPE VI

Table 1 reflects the condensed Statement of Net Position compared to prior year. The Authority is engaged only in Business-Type Activities.

Table 1
STATEMENT OF NET POSITION

	<u>2013</u>	<u>2012</u>	<u>Variance</u>
Assets:			
Current Assets & Restricted Assets	\$ 4,821,689	\$ 4,590,204	\$ 231,485
Non Current Assets	17,055,783	18,398,367	(1,342,584)
Total Assets	<u>\$ 21,877,472</u>	<u>\$ 22,988,571</u>	<u>\$ (1,111,099)</u>
Liabilities:			
Current Liabilities	\$ 414,925	\$ 865,600	\$ (450,675)
Non Current Liabilities	270,522	348,519	(77,997)
Total Liabilities	<u>\$ 685,447</u>	<u>\$ 1,214,119</u>	<u>\$ (528,672)</u>
Net Position			
Net Investment in Capital Assets	\$ 16,076,266	\$ 18,380,682	\$ (2,304,416)
Restricted Net Position	601,316	327,928	273,388
Unrestricted Net Position	4,514,443	3,065,842	1,448,601
Total Net Position	<u>\$ 21,192,025</u>	<u>\$ 21,774,452</u>	<u>\$ (582,427)</u>

Major Factors Affecting the Statement of Net Position

Current and restricted assets increased by \$231,485, and current liabilities decreased by \$450,675. Current and restricted assets increased primarily due to an increase in cash. Current liabilities decreased primarily due to a decrease in accounts payable and unearned revenue.

Non-current assets decreased from \$18,398,367 to \$17,055,783 due primarily to the disposition of the Business Activities property, University Oaks Apartments. Non-current liabilities decreased due to a decrease in accrued compensated absences and FSS forfeitures.

Table 2 presents details on the change in Unrestricted Net Position

Table 2

Unrestricted Net Position, September 30, 2012	\$ 3,065,842
Results of Operations	(327,116)
Transfer to Restricted Assets	(273,388)
Capital Additions from Operations	(157,117)
Investment Income	41,298
Gross Sales from disposal of Capital Assets	705,339
Depreciation Expense	<u>1,459,585</u>
Unrestricted Net Position, September 30, 2013	<u>\$ 4,514,443</u>

The following schedule compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged only in Business-Type Activities.

Table 3
Statement of Revenues and Expenses

	<u>2013</u>	<u>2012</u>	<u>Variance</u>
Revenues:			
Tenant Rental Revenue	\$ 1,833,955	\$ 2,403,215	\$ (569,260)
Operating Grants	12,759,850	9,377,109	3,382,741
Capital Grants Received	824,932	703,815	121,117
Investment Income	12,704	23,955	(11,251)
Gain/(Loss) on Disposition of Assets	(1,121,541)	(266,120)	(855,421)
Other Income	<u>783,132</u>	<u>247,099</u>	<u>536,033</u>
 Total Revenues	 <u>\$ 15,093,032</u>	 <u>\$ 12,489,073</u>	 <u>\$ 2,603,959</u>
Expenses:			
Administrative Expenses	\$ 2,264,070	\$ 2,658,922	\$ (394,852)
Tenant Services	119,889	112,985	6,904
Utilities	242,344	525,550	(283,206)
Maintenance & Operations	1,462,589	1,842,059	(379,470)
Protective Services	140,738	119,508	21,230
General Expense	538,550	869,794	(331,244)
Interest Expense	-	135,421	(135,421)
HAP Payments	9,447,694	10,506,132	(1,058,438)
Depreciation & Amortization	<u>1,459,585</u>	<u>1,755,821</u>	<u>(296,236)</u>
 Total Expenses	 <u>\$ 15,675,459</u>	 <u>\$ 18,526,192</u>	 <u>\$ (2,850,733)</u>
 Excess (Deficiency) Revenues Over Expenses	 <u>\$ (582,427)</u>	 <u>\$ (6,037,119)</u>	 <u>\$ 5,454,692</u>

MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

There was a decrease in the deficiency of revenues over expenses from the prior year. The decrease was due to an increase in revenues and a decrease in expenses for the year. Revenues increased primarily due to an increase in grants. Operating Grants increased primarily due to an increase in Public Housing Subsidy and Housing Choice Vouchers Subsidy. Operating grants increased due to HUD reducing funding in the previous year requiring the Authority to use up its reserves. Regular funding resumed in the current year. Rental income decreased because of an overall decrease in tenant incomes. Other income increased due primarily to the receipt of Development fees in the Business Activities program.

Expenses decreased primarily due to the termination of the Section 8 New Construction program and the sale of University Oaks Apartments. As a result of the sale of Goodman Plaza in the previous year and University Oaks early in the current year administrative cost, utility costs, maintenance cost and depreciation decreased from the previous year. The largest decrease in Administrative Expenses was primarily in salaries and benefits. General expenses decreased primarily due to a decrease in insurance costs and costs associated with closing out the Mod Rehab programs that were included in the prior year general expenses. Housing assistance payments (HAP) decreased due primarily to a decrease in unit months leased. Depreciation and amortization decreased as capital assets were sold or became fully depreciated. Interest expense decreased due to the loan on Goodman Plaza being fully paid in the previous year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of year end, the Authority had \$16,076,266 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease (additions, deductions and depreciation) of \$2,304,416 from the end of last year.

	TABLE 4			
	<u>2013</u>	<u>2012</u>	<u>Variance</u>	<u>% Change</u>
Land	\$ 1,915,983	\$ 2,165,983	\$ (250,000)	-12%
Buildings	47,439,618	49,009,827	(1,570,209)	-3%
Furniture & Equipment	2,384,759	2,262,336	122,423	5%
Accumulated Depreciation	<u>(35,664,094)</u>	<u>(35,057,464)</u>	<u>(606,630)</u>	<u>2%</u>
Net Capital Assets	<u><u>\$ 16,076,266</u></u>	<u><u>\$ 18,380,682</u></u>	<u><u>\$ (2,304,416)</u></u>	<u><u>-13%</u></u>

The following reconciliation summarizes the change in Capital Assets.

Beginning Balance, October 1, 2012	\$ 18,380,682
Additions and Disposals:	
Capital Fund Program - Improvements	824,932
Operating Funds - Improvements and Equipment	157,117
Net Basis of Disposals	(1,826,880)
Depreciation Expense	<u>(1,459,585)</u>
Ending Balance, September 30, 2013	<u><u>\$ 16,076,266</u></u>

Debt Outstanding

As of year-end, the Authority had no debt outstanding.

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development
- Local labor supply and demand, which can affect salary and wage rates
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies and other costs
- Beginning October 1, 2007 the Authority began its first compliance year under Asset Management mandated by HUD. The Central Office Cost Center (COCC) was established in accordance with HUD guidance. The COCC has begun a "fee for service" approach and is billing the asset management projects (AMPS) and other funds for its management service. These fees are in accordance with HUD regulation and meet the safe-harbor requirement of being reasonable. Therefore the funds are de-federalized.
- While sequestration has affected funding levels for all HUD programs, management is also concentrated on what the impact of additional restrictions to Public Housing Operating Funds and Housing Choice Vouchers Administrative fees will have on the operations of the Authority.

FINANCIAL CONTACT

The individual to be contacted regarding this report is Richard Herrington, Executive Director, Shreveport Housing Authority. Specific requests may be submitted to Richard Herrington, Executive Director, Shreveport Housing Authority, 2500 Line Avenue, Shreveport, Louisiana 71104.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2013

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	<u>Enterprise Fund</u>
<u>Current Assets</u>	
Cash and Cash Equivalents	\$ 3,809,849
Accounts Receivable - Other	88,951
Tenants Accounts Receivable	55,424
(Allowance for Doubtful Accounts)	(7,639)
Prepaid Costs	91,567
Inventory	1,246
Total Current Assets	<u>4,039,398</u>
<u>Restricted Assets</u>	
Cash and Cash Equivalents	<u>782,291</u>
Total Restricted Assets	<u>782,291</u>
<u>Capital Assets</u>	
Land	1,915,983
Buildings	47,439,618
Furniture & Equipment	<u>2,384,759</u>
	51,740,360
(Less): Accumulated Depreciation	<u>(35,664,094)</u>
Net Capital Assets	<u>16,076,266</u>
<u>Other Non-current Assets</u>	
Notes Receivable	<u>979,517</u>
Total Other Non-current Assets	<u>979,517</u>
<u>Deferred Outflows of Resources</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$ 21,877,472</u></u>

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA
 STATEMENT OF NET POSITION
 SEPTEMBER 30, 2013

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	Enterprise Fund
Liabilities	
<u>Current Liabilities</u>	
Accounts Payable	\$ 73,280
Accrued Wages / Payroll Taxes	49,139
Accrued Compensated Absences	89,545
Accrued PILOT	122,193
Resident Security Deposits	78,528
Unearned Revenue	2,240
Total Current Liabilities	<u>414,925</u>
<u>Long-Term Liabilities</u>	
Accrued Compensated Absences	89,547
Noncurrent Liabilities - Other	180,975
Total Long-Term Liabilities	<u>270,522</u>
Total Liabilities	<u>685,447</u>
<u>Deferred Inflows of Resources</u>	<u>-</u>
<u>Net Position</u>	
Net Investment in Capital Assets	16,076,266
Restricted Net Position	601,316
Unrestricted Net Position	4,514,443
Total Net Position	<u>21,192,025</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u><u>\$ 21,877,472</u></u>

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Enterprise</u> <u>Fund</u>
<u>Operating Revenues</u>	
Dwelling Rent	\$ 1,833,955
Operating Grants	12,759,850
Other Income	754,538
Total Operating Revenues	<u>15,348,343</u>
<u>Operating Expenses</u>	
Administrative	2,264,070
Tenant Services	119,889
Utilities	242,344
Maintenance and Operations	1,462,589
Protective Services	140,738
General Expense	538,550
Housing Assistance Payments	9,447,694
Depreciation and Amortization	1,459,585
Total Operating Expenses	<u>15,675,459</u>
Operating Income (Loss)	<u>(327,116)</u>
<u>Non-Operating Revenues (Expenses)</u>	
Investment Income	12,704
Gain or Loss on Sale of Asset	(1,121,541)
Mortgage Interest Income	28,594
Total Non-Operating Rev/(Exp)	<u>(1,080,243)</u>
Increase (Decrease) in Net Position Before Capital Contributions and Transfers	<u>(1,407,359)</u>
Capital Contributions	<u>824,932</u>
Increase (Decrease) in Net Position	(582,427)
Net Position, Beginning	21,774,452
Net Position, Ending	<u>\$ 21,192,025</u>

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Enterprise Fund
<u>Cash flows from operating activities:</u>	
Cash Received from Dwelling Rent	\$ 1,804,530
Cash Received from Operating Grants	12,569,880
Cash Received from Other Sources	545,396
Cash Payments for Salaries & Benefits	(2,596,604)
Cash Payments to Vendors and Landlords	(11,940,727)
Net Cash flows provided (used) by operating activities	<u>382,475</u>
<u>Cash flows from non-capital financing activities:</u>	
Net cash flows provided (used) by non-capital financing activities	<u>-</u>
<u>Cash flows from capital and related financing activities:</u>	
Capital Outlay	(982,049)
Capital Grants Received	824,932
Proceeds from sale of capital assets	163,464
Net cash flows provided (used) by capital and related financing activities	<u>6,347</u>
<u>Cash flows from investing activities:</u>	
Interest earned from cash and cash equivalents	12,704
Funds Paid out on Promissory Notes Receivable	(115,715)
Net cash flows provided (used) by investing activities	<u>(103,011)</u>
Net Increase (decrease) in cash and cash equivalents	<u>285,811</u>
Cash and cash equivalents, beginning of year:	<u>4,306,329</u>
Total cash and cash equivalents, end of year	<u><u>\$ 4,592,140</u></u>
<u>Reconciliation of operating income to net cash provided by (used in) operating activities:</u>	
Operating Income (Loss)	\$ (327,116)
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation	1,459,585
Bad Debt Expense	48,218
Change in Accounts Receivable	(280,711)
Change in Prepaid Expenses	11,171
Change in Unearned Revenue	(147,826)
Change in Accounts Payable	(250,501)
Change in Accrued Expenses	(23,707)
Change in Tenant Security Deposits	(14,429)
Change in Other Liabilities	(92,209)
Net cash provided by (used in) operating activities	<u><u>\$ 382,475</u></u>

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Housing Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority is a Special Purpose Government engaged only in business-type activities and therefore, presents only the financial statements required for the enterprise fund, in accordance with GASB Statement 34 paragraph 138.

The Authority has multiple programs which are accounted for in one enterprise fund, which is presented as the "enterprise fund" in the basic financial statements as follows:

Enterprise Fund – In accordance with the Enterprise Fund Method, activity is recorded using the accrual basis of accounting and the measurement focus is on the flow of economic resources. Under the accrual basis of accounting revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. This required the Housing Authority to account for operations in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Governmental Accounting Standards – The Housing Authority has applied all applicable Governmental Accounting Standards Board pronouncements.

Cash

The Housing Authority considers cash on hand and cash in checking to be cash equivalents.

Accounts Receivable

Tenant accounts receivables are carried at the amount considered by management to be collectible. Other accounts receivable consists of amounts due from HUD and State and Local governments for grant income.

Prepaid Items

Prepaid Items consists of payments made to vendors for services that will benefit future periods. Prepaid items include air conditioners purchased, but not yet received.

Unearned Revenue

The Authority recognizes revenues as earned. Amounts received in advance of the period in which it is earned is recorded as a liability under Unearned Revenue.

Inventory

Inventories consist of supplies that have not been used or consumed. Inventory is valued at average cost and is recorded as an expense when it is used or consumed.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE A - SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

Property and Equipment

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The costs of maintenance and repairs are expensed while significant renewals and betterments are capitalized. Small dollar value minor equipment items are expensed. Depreciation on assets has been expensed in the statement of income. Estimated useful lives are as follows:

Buildings & Improvements	15 - 40 years
Furniture fixtures and equipment	3 - 7 years

Revenue Accounting Policies

Dwelling rent income, HUD grants received for operations, other operating fund grants and operating miscellaneous income are shown as operating income. HUD grants received for capital assets and all other revenue is shown as non-operating revenue.

These financial statements do not contain material inter-fund revenues and expenses for internal activity. The policy is to eliminate any material inter-fund revenues and expenses for these financial statements.

Cost Allocation Plan

The Authority does not allocate indirect costs to programs rather charges management, bookkeeping and asset management fees through the use of HUD prescribed rates.

Recent Accounting Pronouncements

The Authority's management has Adopted GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This statement establishes accounting and financial reporting standards for the financial statements of state and local governments. The Authority incorporates FASB, APB and ARB pronouncements not conflicting with GASB pronouncements, and issued on or before November 30, 1989, into the GASB authoritative literature. The adoption of GASB 62 had no material effect on the Authority's basic financial statements.

The Authority adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The objective of this Statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The adoption of GASB 63 had no material effect on the Authority's basic financial statements.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE B - REPORTING ENTITY DEFINITION

The Authority is a separate non-profit corporation with a Board of Commissioners. The Mayor appoints the Board of Commissioners. However, the Authority has complete legislative and administrative authority and it recruits and employs personnel. The Authority adopts a budget that is approved by the Board of Commissioners. Subsidies for operations are received primarily from HUD. The Authority has substantial legal authority to control its affairs without local government approval; therefore, all operations of the Authority are a separate reporting entity as reflected in this report. The Authority is responsible for its debts and is entitled to surpluses.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in *Section 2100 and 2600 of the Codification of Governmental Accounting and Financial Reporting Standards and Statement No. 14 (amended), of the Governmental Accounting Standards Board: The Financial Reporting Entity and Statement No. 39 "Determining Whether Certain Organizations are Component Units*. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity includes the following blended component unit:

The Resident Advisory Board is a legally separate entity. The Resident Advisory Board is fiscally dependent on the Authority as the Authority provides 100% of their funding. The Resident Advisory Board is included through blended presentation because it exclusively benefits the Authority by providing services indirectly to the Authority. The Board was established to administer several federal programs for the Authority. The Board does not provide services other than to administer these federal programs for the Authority.

NOTE C - CASH AND INVESTMENT DEPOSITS

Custodial Credit Risk – The Authority policy is to limit credit risk by adherence to the list of HUD permitted investments, which are backed by the full faith and credit of or a guarantee of principal and interest by the U.S. Government.

Interest Rate Risk – The Housing Authority's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from interest rate volatility.

The U.S. Department of HUD requires housing authorities to invest excess funds in obligations of the U.S., certificates of deposit or any other Federally insured investments.

The Authority's cash and cash equivalents consist of cash held in interest bearing checking accounts totaling \$3,809,649. The restricted cash consists of \$782,291 held in interest bearing checking accounts. The various accounts bear interest up to .40%. The remaining \$200 is held in cash in petty cash funds. Deposits with financial institutions are secured as follows:

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE C - CASH AND INVESTMENT DEPOSITS – CONTINUED

	<u>Per Books</u>	<u>Per Bank</u>
Insured by FDIC	\$ 250,000	\$ 250,000
Investments held in U.S. Treasury Obligations	-	-
Collateralized with specific securities in the Authority name which are held by the financial institution	4,341,940	4,517,751
Uncollateralized	-	-
	<u>\$ 4,591,940</u>	<u>\$ 4,767,751</u>

All investments are carried at cost plus accrued interest, which approximates market. The Authority had no realized gains or losses on the sale of investments. The calculation of realized gains or losses is independent of a calculation of the net change in the fair value of investments.

NOTE D - CONTRACTUAL COMMITMENTS

The significant Outstanding Contractual Commitments as of the Statement of Net Position Date are as follows:

<u>Type Commitment</u>	<u>Amount</u>
Renovations	\$ 921,400

NOTE E - RISK MANAGEMENT

The Authority is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for all risks of loss, including workman's compensation. The Authority has not had any significant reductions in insurance coverage or any claims not reimbursed.

NOTE F - CONCENTRATION OF RISK

The Authority receives most of its funding from HUD. These funds and grants are subject to modification by HUD depending on the availability of funding.

NOTE G - SIGNIFICANT ESTIMATES

The financial statements include some amounts that are based on management's best estimates and judgments. The most significant estimates relate to depreciation and useful lives and notes receivable valuations. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE H – COMPENSATED ABSENCES

The Authority follows Louisiana Civil Service regulations for accumulated annual leave and sick time. Employees may accumulate up to 300 hours annual leave which may be received upon termination or retirement. In a case where the employee notifies the Authority not less than six months prior to retirement or resignation, annual leave in excess of 300 may be utilized prior to separation of employment. Sick leave hours accumulate, but the employee is not paid for them if not used by the retirement or termination date. Leave accrued but not yet paid as of September 30, 2013, is shown as a liability allocated between current and noncurrent.

NOTE I - PENSION PLAN

The Authority participates in the Housing-Renewal and Local Agency Retirement Plan, a defined contribution plan administered by Automatic Data Processing Retirement Services. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing one year of continuous and uninterrupted employment. The plan provisions and changes to the plan contributions are determined by the Board of the Housing Authority.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Authority contributes an amount equal to 11% of the employees' base salary (excluding overtime). The Authority's contributions for each employee (and interest allocated to the employee's account) are fully vested after five years of continuous service. Up to 100% of Authority contributions for, and interest forfeited by, employees who leave employment before five years of service are refundable to the Authority, and are used to offset future contributions of the Housing Authority. During the current audit period, total contributions made by the Authority and employees totaled \$204,696 and \$15,869, respectively.

Assets in the plan are recorded at market value and are administered by a private corporation under contract with the Housing Authority. It is the opinion of the Authority's legal counsel that the Housing Authority has no liability for losses under the plans but does have the duty of due care that would be required of an ordinary prudent investor.

NOTE J – LONG TERM DEBT

Long term debt at September 30, 2013 consisted of the following:

	<u>Balance</u> <u>10/01/12</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>09/30/13</u>	<u>Due Within</u> <u>One Year</u>
Compensated Absences	\$ 206,493	\$ 80,513	\$ 107,914	\$ 179,092	\$ 89,545
FSS Escrows	214,409	-	33,434	180,975	-
Long Term Debt	<u>\$ 420,902</u>	<u>\$ 80,513</u>	<u>\$ 141,348</u>	<u>\$ 360,067</u>	<u>\$ 89,545</u>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE K – PROPERTY AND EQUIPMENT

A summary of property and equipment is as follows at September 30, 2013.

	<u>PUBLIC HOUSING</u>	<u>CAPITAL FUND PROGRAM</u>	<u>REVITALIZATION OF SEVERLY DISTRESSED PUBLIC HOUSING</u>	<u>HOUSING CHOICE VOUCHERS</u>
Land	\$ 1,660,270		\$ -	\$ -
Building and Improvements	43,266,871	869,763	15,300	887,650
Furniture, Fixtures and Equipment	1,309,489	217,330	-	491,067
Less Accumulated Depreciation	<u>(32,690,059)</u>	<u>(78,352)</u>	<u>(3,570)</u>	<u>(916,469)</u>
Total Property and Equipment	<u>\$ 13,546,571</u>	<u>\$ 1,008,741</u>	<u>\$ 11,730</u>	<u>\$ 462,248</u>
	<u>STATE / LOCAL</u>	<u>BUSINESS ACTIVITIES</u>	<u>COCC</u>	<u>TOTAL</u>
Land	\$ -	\$ 255,713	\$ -	\$ 1,915,983
Building and Improvements	-	2,322,622	77,412	47,439,618
Furniture, Fixtures and Equipment	4,770	73,912	288,191	2,384,759
Less Accumulated Depreciation	<u>(4,770)</u>	<u>(1,694,750)</u>	<u>(276,124)</u>	<u>(35,664,094)</u>
Total Property and Equipment	<u>\$ -</u>	<u>\$ 957,497</u>	<u>\$ 89,479</u>	<u>\$ 16,076,266</u>

	<u>October 1, 2012 Balance</u>	<u>Additions</u>	<u>Transfers & Deletions</u>	<u>September 30, 2013 Balance</u>
Land	\$ 2,165,983	\$ -	\$ (250,000)	\$ 1,915,983
Construction in Process	<u>-</u>	<u>824,932</u>	<u>(824,932)</u>	<u>-</u>
Total Assets not being depreciated	2,165,983	824,932	(1,074,932)	1,915,983
Buildings and Improvements	49,009,827	150,469	(1,720,678)	47,439,618
Furniture and Equipment	<u>2,262,336</u>	<u>6,648</u>	<u>115,775</u>	<u>2,384,759</u>
Total Capital Assets	53,438,146	982,049	(2,679,835)	51,740,360
Less Accumulated				
Buildings & Improvements	(33,012,525)	(1,338,012)	785,195	(33,565,342)
Furniture & Equipment	<u>(2,044,939)</u>	<u>(121,573)</u>	<u>67,760</u>	<u>(2,098,752)</u>
Net Book Value	<u>\$ 18,380,682</u>	<u>\$ (477,536)</u>	<u>\$ (1,826,880)</u>	<u>\$ 16,076,266</u>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE L – INTERPROGRAM ACTIVITY

The Housing Authority manages several programs. Many charges, i.e., payroll, benefits, insurance, etc. are paid by the Housing Authority's various funds and subsequently reimbursed by the Public Housing Program. Balances due for such charges are reflected in the Interprogram Due to/Due from account balances. Interprograms at September 30, 2013 consisted of the following:

COCC	\$ 475,023
Capital Fund Program	(24,750)
Housing Choice Vouchers	(442,742)
HOPE VI	(7,531)
Total	<u>\$ -</u>

NOTE M – RESTRICTED CASH

The Authority's restricted cash consists of the following as of the end of the fiscal year:

Restricted for HAP Payments	\$ 601,316
Cash Restricted for FSS Escrows	<u>180,975</u>
	<u>\$ 782,291</u>

NOTE N – RESTRICTED NET POSITION

Restricted Net Position consists of the following:

Restricted for HAP Payments	<u>\$ 601,316</u>
	<u>\$ 601,316</u>

Housing Assistance Payment (HAP) funds are available to the Authority under the Section 8 Housing Choice Vouchers program. These funds are to be used only for HAP expenditures of the program.

NOTE O – ACCOUNTS RECEIVABLE – OTHER

Accounts Receivable – Other, consists of the following:

Accounts Receivable - HUD	\$ 37,436
Accounts Receivable - Development Cost	17,685
Accounts Receivable - Miscellaneous	<u>33,830</u>
Total Accounts Receivable Other	<u>\$ 88,951</u>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE P – NOTES RECEIVABLE

Cypress Landing, LP entered into a Promissory Note with Cypress Landing GP, LLC (a Business Activity of the Authority) in the amount of \$541,875. The note bears interest at a rate of six percent compounded annually and has a maturity date of December 31, 2030. On the 31st day of December in each and every year during the term of the Note, the borrower shall pay to the lender 100% of the cash flow as defined by the partnership agreement. The loan is secured by all real and personal property. The loan is subordinate to the Senior Sponsor note with the Department of Housing and Urban Development. As of September 30, 2013, the loan balance is \$541,875 and accrued interest on the loan is \$28,594.

Cypress Landing, LP entered into a loan with Cypress Landing GP, LLC (a Business Activity of the Authority) in the amount of \$300,000. The note bears interest at a rate of six percent compounded annually and has a maturity date of December 31, 2030. On the 3^{0th} day of November in each and every year during the term of the Note, the borrower shall pay to the lender 100% of the cash flow as defined by the partnership agreement. The loan is secured by all real and personal property. The loan is subordinate to the Senior Sponsor note with the Department of Housing and Urban Development and the above Promissory note. As of September 30, 2013, the loan balance is \$115,715.

Under the terms of the Development Services Agreement between Cypress Landing, LP and Cypress Landing GP, LLC (a Business Activity of the Authority), Cypress Landing, LP is obligated to pay a development fee in the amount of \$440,000 to Cypress Landing GP, LLC. As of September 30, 2013 the balance due to the Authority for the development fee is \$293,333.

NOTE Q – COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from HUD are subject to audit and adjustment by grantor agencies. If expenses are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Authority. In the opinion of management, any such adjustments would not be significant.

Prior year Finding 12-04 identifies questionable payments made by the Authority in previous years. None of these payments were made in the current audit period; however, the amount of questioned costs is in the amount of \$713,254. This amount would be considered a material contingency if the amount in question was disallowed by HUD and a recoupment of the funds initiated.

NOTE R – FINANCIAL DATA SCHEDULE

The Authority prepares its Financial Data Schedule in accordance with HUD requirements in a prescribed format. As the Authority adopted GASB Statement No. 63 Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources, and Net Position in the current year, presentation and verbiage differences exist between the basic financial statements and the Financial Data Schedule.

NOTE S – SUBSEQUENT EVENTS

In preparing financial statements, management evaluated subsequent events through June 24, 2014, the date the financial statements were issued.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF ASSETS, LIABILITIES AND NET POSITION BY PROGRAM
SEPTEMBER 30, 2013

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Public Housing Program	Capital Fund Program	ARRA	Housing Choice Vouchers	Section 8 New Construction	Revitalization of Severely Distressed Public Housing	State/ Local
Current Assets							
Cash and Cash Equivalents	\$ 3,219,504	\$ -	\$ -	\$ 36,780	\$ -	\$ -	\$ 17,764
Accounts Receivable - Other	1,833	24,750	-	14,663	-	-	9,080
Tenants Accounts Receivable	48,921	-	-	1,100	-	-	-
(Allowance for Doubtful Accounts)	(6,245)	-	-	-	-	-	-
Prepaid Costs	-	-	-	1,950	-	-	-
Inventory	-	-	-	-	-	-	-
Interprogram Receivable	-	-	-	-	-	-	-
Total Current Assets	3,264,013	24,750	-	54,493	-	-	26,834
Restricted Assets							
Cash and Cash Equivalents	151,553	-	-	630,738	-	-	-
Total Restricted Assets	151,553	-	-	630,738	-	-	-
Capital Assets							
Land	1,660,270	-	-	-	-	-	-
Buildings	43,266,871	869,763	-	887,650	-	15,300	-
Furniture & Equipment	1,309,489	217,330	-	491,067	-	-	4,770
(Less): Accumulated Depreciation	46,236,630	1,087,093	-	1,378,717	-	15,300	4,770
Net Capital Assets	(32,690,059)	(78,352)	-	(916,469)	-	(3,570)	(4,770)
	13,546,571	1,008,741	-	462,248	-	11,730	-
Other Non-current Assets							
Notes Receivable	-	-	-	-	-	-	-
Total Other Non-current Assets	-	-	-	-	-	-	-
Deferred Outflows of Resources							
	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 16,962,137	\$ 1,033,491	\$ -	\$ 1,147,479	\$ -	\$ 11,730	\$ 26,834

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF ASSETS, LIABILITIES AND NET POSITION BY PROGRAM
SEPTEMBER 30, 2013

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Business Activities	COC	Elimination	Total
<u>Current Assets</u>				
Cash and Cash Equivalents	\$ 213,715	\$ 322,096	\$ -	\$ 3,809,849
Accounts Receivable - Other	38,625	-	-	88,951
Tenants Accounts Receivable	5,403	-	-	55,424
(Allowance for Doubtful Accounts)	(1,394)	-	-	(7,639)
Prepaid Costs	-	89,617	-	91,567
Inventory	-	1,246	-	1,246
Interprogram Receivable	-	475,023	(475,023)	-
Total Current Assets	256,349	887,982	(475,023)	4,039,398
<u>Restricted Assets</u>				
Cash and Cash Equivalents	-	-	-	782,291
Total Restricted Assets	-	-	-	782,291
<u>Capital Assets</u>				
Land	255,713	-	-	1,915,983
Buildings	2,322,622	77,412	-	47,439,618
Furniture & Equipment	73,912	288,191	-	2,384,759
(Less): Accumulated Depreciation	2,652,247	365,603	-	51,740,360
Net Capital Assets	(1,694,750)	(276,124)	-	(35,664,094)
	957,497	89,479	-	16,076,266
<u>Other Non-current Assets</u>				
Notes Receivable	979,517	-	-	979,517
Total Other Non-current Assets	979,517	-	-	979,517
<u>Deferred Outflows of Resources</u>				
	-	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 2,193,363	\$ 977,461	\$ (475,023)	\$ 21,877,472

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF ASSETS, LIABILITIES AN NET POSITION
BY PROGRAM
SEPTEMBER 30, 2013

Liabilities	<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>						Revitalization of Severely Distressed Public Housing	State/ Local
	Public Housing Program	Capital Fund Program	ARRA	Housing Choice Vouchers	Section 8 New Construction			
<u>Current Liabilities</u>								
Bank Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	27,494	-	-	6,207	-	-	-	-
Accrued Wages / Payroll Taxes	27,445	-	-	-	-	-	-	-
Accrued Compensated Absences	42,323	-	-	9,871	-	-	-	-
Accrued PILOT	119,882	-	-	2,311	-	-	-	-
Resident Security Deposits	73,254	-	-	424	-	-	-	2,240
Unearned Revenue	-	-	-	-	-	-	-	-
Other Current Liabilities	-	-	-	-	-	-	-	-
Interprogram Payable	-	24,750	-	442,742	-	-	7,531	-
Total Current Liabilities	290,398	24,750	-	461,555	-	-	7,531	2,240
<u>Long-Term Liabilities</u>								
Accrued Compensated Absences	42,325	-	-	9,871	-	-	-	-
Noncurrent Liabilities - Other	151,553	-	-	29,422	-	-	-	-
Total Long-Term Liabilities	193,878	-	-	39,293	-	-	-	-
Total Liabilities	484,276	24,750	-	500,848	-	-	7,531	2,240
<u>Deferred Inflows of Resources</u>	-	-	-	-	-	-	-	-
<u>Net Position</u>								
Net Investment in Capital Assets	13,546,571	1,008,741	-	462,248	-	-	11,730	-
Restricted Net Position	-	-	-	601,316	-	-	-	-
Unrestricted Net Position	2,931,290	-	-	(416,933)	-	-	(7,531)	24,594
Total Net Position	16,477,861	1,008,741	-	646,631	-	-	4,199	24,594
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 16,962,137	\$ 1,033,491	\$ -	\$ 1,147,479	\$ -	\$ -	\$ 11,730	\$ 26,834

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA
 SCHEDULE OF ASSETS, LIABILITIES AN NET POSITION
 BY PROGRAM
 SEPTEMBER 30, 2013

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

Liabilities	<u>Business Activities</u>	<u>COC</u>	<u>Elimination</u>	<u>Total</u>
<u>Current Liabilities</u>				
Bank Overdraft	\$ -	\$ -	\$ -	\$ -
Accounts Payable	499	39,080	-	73,280
Accrued Wages / Payroll Taxes	2,074	19,620	-	49,139
Accrued Compensated Absences	2,850	34,501	-	89,545
Accrued PILOT	-	-	-	122,193
Resident Security Deposits	4,850	-	-	78,528
Unearned Revenue	-	-	-	2,240
Other Current Liabilities	-	-	-	-
Interprogram Payable	-	-	(475,023)	-
Total Current Liabilities	10,273	93,201	(475,023)	414,925
<u>Long-Term Liabilities</u>				
Accrued Compensated Absences	2,850	34,501	-	89,547
Noncurrent Liabilities - Other	-	-	-	180,976
Total Long-Term Liabilities	2,850	34,501	-	270,522
Total Liabilities	13,123	127,702	(475,023)	685,447
<u>Deferred Inflows of Resources</u>	-	-	-	-
<u>Net Position</u>				
Net Investment in Capital Assets	957,497	89,479	-	16,076,266
Restricted Net Position	-	-	-	601,316
Unrestricted Net Position	1,222,743	760,280	-	4,514,443
Total Net Position	2,180,240	849,759	-	21,192,025
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,193,363	\$ 977,461	\$ (475,023)	\$ 21,877,472

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF REVENUES, EXPENSES AND NET POSITION BY PROGRAM
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Public Housing Program	Capital Fund Program	ARRA	Housing Choice Vouchers	Section 8 New Construction	Revitalization of Severely Distressed Public Housing	State/ Local
<u>Operating Revenues</u>							
Dwelling Rent	\$ 1,538,867	\$ -	\$ -	\$ -	\$ 1,571	\$ -	\$ -
Operating Grants	1,536,431	358,652	43,268	10,721,499	-	-	-
Other Income	29,278	-	-	107,162	37,815	-	-
Total Operating Revenues	3,204,576	358,652	43,268	10,828,661	39,386	-	-
<u>Operating Expenses</u>							
Administrative	1,035,065	150,634	43,268	991,554	38,371	-	467
Tenant Services	117,097	-	-	240	-	-	-
Utilities	209,603	-	-	-	23	-	-
Maintenance and Operations	1,221,704	-	-	12,250	3,000	-	-
Protective Services	41,517	108,018	-	-	201	-	-
General Expense	390,527	-	-	61,530	-	-	-
Housing Assistance Payments	-	-	-	9,447,694	-	-	-
Depreciation and Amortization	1,228,604	64,469	-	20,611	264	1,020	-
Total Operating Expenses	4,244,117	323,121	43,268	10,533,879	41,859	1,020	467
Operating Income (Loss)	(1,039,541)	35,531	-	294,782	(2,473)	(1,020)	(467)
<u>Non-Operating Revenues (Expenses)</u>							
Investment Income	6,318	-	-	865	-	-	46
Gain or Loss on Sale of Asset	-	-	-	-	-	-	-
Mortgage Interest Income	-	-	-	-	-	-	-
Total Non-Operating Rev/(Exp)	6,318	-	-	865	-	-	46
Increase (Decrease) in Net Position Before Capital Contributions and Transfers	(1,033,223)	35,531	-	295,647	(2,473)	(1,020)	(421)
Operating Transfers In (Out)	103,300	(100,000)	-	-	-	-	-
Capital Contributions	-	808,235	16,697	-	-	-	-
Increase (Decrease) in Net Position	(929,923)	743,766	16,697	295,647	(2,473)	(1,020)	(421)
Equity Transfers	2,269,707	(2,253,010)	(16,697)	100,188	153,004	-	-
Net Position, Beginning	15,138,077	2,517,985	-	250,796	(150,531)	5,219	25,015
Net Position, Ending	\$ 16,477,861	\$ 1,008,741	\$ -	\$ 646,631	\$ -	\$ 4,199	\$ 24,594

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF REVENUES, EXPENSES AND NET POSITION BY PROGRAM
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Business Activities	COCC	Elimination	Total
Operating Revenues				
Dwelling Rent	\$ 293,517	\$ -	\$ -	\$ 1,833,955
Operating Grants	-	-	-	12,759,850
Other Income	502,324	1,349,787	(1,271,828)	754,538
Total Operating Revenues	795,841	1,349,787	(1,271,828)	15,348,343
Operating Expenses				
Administrative	239,467	929,054	(1,163,810)	2,264,070
Tenant Services	399	2,163	-	119,889
Utilities	7,352	25,366	-	242,344
Maintenance and Operations	218,446	96,110	(88,921)	1,462,589
Protective Services	10,099	-	(19,097)	140,738
General Expense	44,792	41,701	-	538,550
Housing Assistance Payments	-	-	-	9,447,594
Depreciation and Amortization	130,095	14,522	-	1,459,585
Total Operating Expenses	650,650	1,108,906	(1,271,828)	15,675,459
Operating Income (Loss)	145,191	240,881	-	(327,116)
Non-Operating Revenues (Expenses)				
Investment Income	1,598	3,777	-	12,704
Gain or Loss on Sale of Asset	(1,121,541)	-	-	(1,121,541)
Mortgage Interest Income	28,594	-	-	28,594
Total Non-Operating Rev/(Exp)	(1,091,249)	3,777	-	(1,080,243)
Increase (Decrease) in Net Position Before Capital Contributions and Transfers	(946,058)	244,658	-	(1,407,359)
Operating Transfers In (Out)	-	(3,300)	-	-
Capital Contributions	-	-	-	824,932
Increase (Decrease) in Net Position	(946,058)	241,358	-	(582,427)
Equity Transfers	(55,954)	(197,238)	-	-
Net Position, Beginning	3,182,252	805,639	-	21,774,452
Net Position, Ending	\$ 2,180,240	\$ 849,759	\$ -	\$ 21,192,025

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
SUMMARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2013

EXPENDITURES

<i>Low Rent Public Housing Expenditures</i>	
Total CFDA Number 14.850a	<u>\$ 1,636,431</u>
Total CFDA Number 14.871	<u>10,721,499</u>
<i>Public Housing Capital Fund Program</i>	
Total CFDA Number 14.872 (CFP Cluster)	<u>1,166,887</u>
<i>Public Housing Capital Fund Stimulus Recovery Act Fund</i>	
Total CFDA Number 14.885 (CFP Cluster)	<u>59,965</u>
 TOTAL HUD EXPENDITURES	 <u>13,584,782</u>
TOTAL FEDERAL EXPENDITURES	<u>\$ 13,584,782</u>

Basis of Presentation:

The above schedule of expenditures of federal awards includes the federal grant activity of the Authority and is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF COMPLETED PROGRAM COSTS
CAPTIAL FUND STIMULUS RECOVERY ACT FUNDED
SEPTEMBER 30, 2013

	Public Housing Capital Fund Program LA48S00250109
Funds Approved	\$ 1,745,179
Funds Disbursed	1,745,179
Excess Funds Approved	<u>\$ -</u>
 Funds Advanced	 \$ 1,745,179
Funds Disbursed	1,745,179
Excess Funds (Deficiency)	<u>\$ -</u>

1. The distribution of costs as shown on the Actual Modernization Cost Certificate submitted to HUD for approval is in agreement with the Housing Authority's records.
2. All Modernization costs have been paid and all related liabilities have been discharged through payment.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
FINANCIAL DATA SCHEDULE
SEPTEMBER 30, 2013

	ASSETS	LOW RENT 14,850a	CAPITAL FUND PROGRAM 14,872	ARRA 14,885	HOUSING CHOICE VOUCHERS 14,871	SECTION 8 NEW CONSTRUCTION 14,182	REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING 14,866	STATE/ LOCAL
	CURRENT ASSETS							
	CASH							
111	CASH UNRESTRICTED	3,146,250	-	-	36,780	-	-	17,754
115	CASH RESTRICTED FOR PAYMENT OF S/T DEBT	-	-	-	-	-	-	-
112	CASH RESTRICTED MODERNIZATION AND DEV	-	-	-	-	-	-	-
113	CASH OTHER RESTRICTED	151,553	-	-	630,738	-	-	-
114	CASH TENANT SECURITY DEPOSIT	73,254	-	-	-	-	-	-
100	TOTAL CASH	3,371,057	-	-	667,518	-	-	17,754
	ACCOUNTS AND NOTES RECEIVABLE							
121	A/R - FHA PROJECTS	-	-	-	-	-	-	-
122	A/R - HUD PROJECTS	-	24,750	-	12,686	-	-	-
124	A/R - OTHER GOVT	-	-	-	810	-	-	-
125	A/R - MISC	1,833	-	-	1,167	-	-	-
126	A/R - TENANTS DWELLING RENT	48,921	-	-	1,100	-	-	9,080
126.1	ALLOWANCE FOR D A - TENANTS	(6,245)	-	-	-	-	-	-
126.2	ALLOWANCE FOR D A - OTHER	-	-	-	-	-	-	-
127	NOTES AND MORTGAGES RECEIVABLE	-	-	-	-	-	-	-
128	FRAUD RECOVERY	-	-	-	-	-	-	-
128.1	ALLOWANCE FOR FRAUD RECOVERY	-	-	-	-	-	-	-
129	ACCURED INTEREST RECEIVABLE	-	-	-	-	-	-	-
120	TOTAL RECEIVABLES NET OF ALLOW	44,509	24,750	-	15,763	-	-	9,080
	CURRENT INVESTMENTS							
131	INVESTMENTS - UNRESTRICTED	-	-	-	-	-	-	-
135	INVESTMENTS RESTRICTED FINT S/T DEBT	-	-	-	-	-	-	-
132	INVESTMENTS - RESTRICTED	-	-	-	-	-	-	-
142	PREPAID COSTS	-	-	-	1,950	-	-	-
143	INVENTORIES - MATERIALS	-	-	-	-	-	-	-
143.1	ALLOWANCE FOR OBSOLETE INV	-	-	-	-	-	-	-
144	INTERPROGRAM DUE FROM	-	-	-	-	-	-	-
145	ASSETS HELD FOR SALE	-	-	-	-	-	-	-
150	TOTAL CURRENT ASSETS	3,415,566	24,750	-	685,231	-	-	26,834
	NONCURRENT ASSETS							
	FIXED ASSETS							
161	LAND	1,660,270	-	-	-	-	-	-
168	INFRASTRUCTURE	-	-	-	-	-	-	-
162	BUILDINGS	42,452,077	854,578	-	887,650	-	15,300	-
163	FURNITURE & EQUIPMENT - DWELLINGS	662,891	87,350	-	-	-	-	-
164	FURNITURE & EQUIPMENT - ADMINIS	646,598	129,980	-	491,067	-	-	4,770
165	LEASEHOLD IMPROVEMENTS	814,794	15,185	-	-	-	-	-
167	CONSTRUCTION IN PROGRESS	-	-	-	-	-	-	-
166	ACCUMULATED DEPRECIATION	(32,690,059)	(78,352)	-	(916,469)	-	(3,570)	(4,770)
160	TOTAL FIXED ASSETS, NET OF DEPR	13,546,571	1,008,741	-	462,248	-	11,730	-
171	NOTES & MORTGAGES RECEIVABLE - N/C	-	-	-	-	-	-	-

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
FINANCIAL DATA SCHEDULE
SEPTEMBER 30, 2013

REVITALIZATION
OF SEVERELY
DISTRESSED
PUBLIC HOUSING

SECTION 8
NEW
CONSTRUCTION

HOUSING
CHOICE
VOUCHERS

ARRA

FUND
PROGRAM

LOW RENT

NOTES & MORTGAGES RECEIVABLE - PD

GRANTS RECEIVABLE - NONCURRENT

OTHER ASSETS

INVESTMENT IN JOINT VENTURES

TOTAL NONCURRENT ASSETS

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THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
FINANCIAL DATA SCHEDULE

SEPTEMBER 30, 2013

REVITALIZATION
OF SEVERELY
DISTRESSED
PUBLIC HOUSING

	LOW RENT 14.850a	FUND PROGRAM	AREA	HOUSING CHOICE VOUCHERS	SECTION 8 NEW CONSTRUCTION	14.866	STATE/ LOCAL
508.1 INVESTMENT IN CAPITAL ASSETS	13,546,571	1,008,741	-	482,248	-	11,730	-
RESERVED FUND BALANCE							
509 RESERVED FOR OPERATING ACTIVITIES							
510 RESERVED FOR CAPITAL ACTIVITIES							
511 TOTAL RESERVED BALANCE							
511.1 RESTRICTED NET ASSETS				601,316	-	-	-
512 UNDESIGNATED FUND BALANCE/R/E					-	-	-
512.1 UNRESTRICTED NET ASSETS	2,931,290	-	-	(416,933)	-	(7,531)	24,594
513 TOTAL EQUITY	16,477,861	1,008,741	-	646,831	-	4,199	24,594
600 TOTAL LIABILITIES AND EQUITY	16,962,137	1,033,491	-	1,147,479	-	11,730	26,834
REVENUE							
703 NET TENANT RENTAL REVENUE	1,384,275	-	-	-	-	-	-
704 TENANT REVENUE - OTHER	154,592	-	-	-	1,571	-	-
705 TOTAL TENANT REVENUE	1,538,867	-	-	-	1,571	-	-
706 HUD PHA GRANTS	1,636,431	358,652	43,268	10,721,499	-	-	-
706.1 CAPITAL GRANTS RECEIVED	-	808,235	16,697	-	-	-	-
707.1 MANAGEMENT FEE	-	-	-	-	-	-	-
707.2 ASSET MANAGEMENT FEE	-	-	-	-	-	-	-
707.3 BOOK-KEEPING FEE	-	-	-	-	-	-	-
707.5 OTHER FEES	-	-	-	-	-	-	-
708 OTHER GOVT GRANTS	-	-	-	-	-	-	-
710 SEC 8 INCOME	-	-	-	-	-	-	-
711 INVESTMENT INCOME - UNRESTRICTED	6,318	-	-	-	-	-	46
712 MORTGAGE INTEREST INCOME	-	-	-	-	-	-	-
713 PROCEEDS FROM DISPOSITION OF ASSETS HELD FOR SALE	-	-	-	-	-	-	-
713.1 COST OF SALE OF ASSETS	-	-	-	-	-	-	-
714 FRAUD RECOVERY	-	-	-	20,033	-	-	-
715 OTHER REVENUE	29,278	-	-	87,129	37,815	-	-
716 GAIN OR LOSS ON THE SALE OF FIXED ASSETS	-	-	-	-	-	-	-
720 INVESTMENT INCOME - RESTRICTED	-	-	-	865	-	-	-
700 TOTAL REVENUE	3,210,894	1,166,887	59,965	10,829,526	39,386	-	46
EXPENSES							
ADMINISTRATIVE							
911 ADMINISTRATIVE SALARIES	215,719	-	-	284,400	-	-	-
912 AUDITING FEES	26,550	-	-	15,930	-	-	-
913 MANAGEMENT FEES	292,650	80,000	-	294,396	-	-	-
913.1 BOOKKEEPING FEE	52,966	-	-	183,998	-	-	-
914 ADVERTISING AND MARKETING	-	-	-	-	-	-	-
915 EMPLOYEE BENEFIT CONTRIBUTION	121,667	-	-	128,346	156	-	-
916 OFFICE EXPENSE	11,599	-	-	49,242	-	-	-
917 LEGAL	58,907	-	-	8,909	4,995	-	-
918 TRAVEL	23,516	5,331	-	-	-	-	-
919 OTHER OPERATING ADMINISTRATIVE	151,691	65,303	43,268	26,333	33,220	-	467
920 ASSET MANAGEMENT FEE	79,800	-	-	-	-	-	-
TENANT SERVICES	-	-	-	-	-	-	-
921 TENANT SERVICES SALARIES	43,070	-	-	-	-	-	-

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
FINANCIAL DATA SCHEDULE
SEPTEMBER 30, 2013

REVITALIZATION
OF SEVERELY
DISTRESSED
PUBLIC HOUSING

SECTION 8
NEW
CONSTRUCTION

HOUSING
CHOICE
VOUCHERS

ASRA

FUND
PROGRAM

LOW RENT

STATE/
LOCAL

		520	-	-	-	14,872	14,885	14,872	14,872	14,882	14,866	467
922	RELOCATION COSTS	520	-	-	-	-	-	-	-	-	-	-
923	EMPLOYEE BENEFIT CONTRIBUTION	14,431	-	-	-	-	-	-	-	-	-	-
924	TENANT SERVICES OTHER	59,076	-	-	-	-	-	240	-	-	-	-
	UTILITIES	-	-	-	-	-	-	-	-	-	-	-
931	WATER	40,430	-	-	-	-	-	-	-	-	-	-
932	ELECTRICITY	117,345	-	-	-	-	-	-	-	-	-	-
933	GAS	13,043	-	-	-	-	-	-	-	-	-	-
934	FUEL	-	-	-	-	-	-	-	-	-	-	-
935	LABOR	-	-	-	-	-	-	-	-	-	-	-
936	SEWER	38,785	-	-	-	-	-	-	-	23	-	-
937	EMPLOYEE BENEFIT CONTRIBUTION UTILITY	-	-	-	-	-	-	-	-	-	-	-
938	OTHER UTILITIES	-	-	-	-	-	-	-	-	-	-	-
	ORDINARY MAINTENANCE & OPERATION	-	-	-	-	-	-	-	-	-	-	-
941	ORDINARY MAINT AND OP LABOR	478,974	-	-	-	-	-	-	-	-	-	-
942	ORDINARY MAINTENANCE AND OF MATERIALS	236,880	-	-	-	-	-	6,809	-	1,008	-	-
943	ORDINARY MAINTENANCE AND OF CONTRACT	301,726	-	-	-	-	-	5,441	-	1,992	-	-
945	EMPLOYEE BENEFIT CONTRIBUTION	204,124	-	-	-	-	-	-	-	-	-	-
	PROTECTIVE SERVICES	-	-	-	-	-	-	-	-	-	-	-
951	PROTECTIVE SERVICES - LABOR	37,111	-	-	-	98,768	-	-	-	-	-	-
952	PROTECTIVE SERVICES - OTHER CONTRACT COSTS	-	-	-	-	-	-	-	-	-	-	-
953	PROTECTIVE SERVICES - OTHER	-	-	-	-	-	-	-	-	-	-	-
955	EMPLOYEE BENEFIT CONTRIBUTION PS	4,406	-	-	-	9,250	-	-	-	201	-	-
	GENERAL EXPENSES	-	-	-	-	-	-	-	-	-	-	-
961	INSURANCE PREMIUMS	179,121	-	-	-	-	-	50,374	-	-	-	-
962	OTHER GENERAL EXPENSE	-	-	-	-	-	-	-	-	-	-	-
962.1	COMPENSATED ABSENCES	56,744	-	-	-	-	-	11,156	-	-	-	-
963	PAYMENTS IN LIEU OF TAXES	135,146	-	-	-	-	-	-	-	-	-	-
964	BAD DEBT - TENANT	19,516	-	-	-	-	-	-	-	-	-	-
965	BAD DEBT - MORTGAGES	-	-	-	-	-	-	-	-	-	-	-
966	BAD DEBT - OTHER	-	-	-	-	-	-	-	-	-	-	-
967	INTEREST EXPENSE	-	-	-	-	-	-	-	-	-	-	-
967.3	AMORTIZATION OF BOND ISSUE COSTS	-	-	-	-	-	-	-	-	-	-	-
968	SEVERANCE EXPENSE	-	-	-	-	-	-	-	-	-	-	-
969	TOTAL OPERATING EXPENSES	3,015,513	-	-	-	258,652	43,268	1,065,574	-	41,595	-	467
970	EXCESS OPERATING REVENUE OVER OP EXP	195,381	-	-	-	908,235	16,697	9,763,952	-	(2,209)	-	(421)
	EXTRAORDINARY MAINTENANCE	-	-	-	-	-	-	-	-	-	-	-
971	CASUALTY LOSSES - NON CAPITALIZED	-	-	-	-	-	-	-	-	-	-	-
972	HAP	-	-	-	-	-	-	9,406,226	-	-	-	-
973.5	HAP - PORTABILITY IN	-	-	-	-	-	-	41,468	-	-	-	-
974	DEPRECIATION EXPENSE	1,228,604	-	-	-	64,469	-	20,611	-	264	1,020	-
975	FRAUD LOSSES	-	-	-	-	-	-	-	-	-	-	-
976	CAPITAL OUTLAYS GOVT FUNDS	-	-	-	-	-	-	-	-	-	-	-
977	DEBT PRINCIPAL PAYMENT GOVT FUNDS	-	-	-	-	-	-	-	-	-	-	-
978	DWELLING UNITS RENT EXPENSE	-	-	-	-	-	-	-	-	-	-	-
900	TOTAL EXPENSES	4,244,117	-	-	-	323,121	43,268	10,533,879	-	41,859	1,020	467

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
FINANCIAL DATA SCHEDULE
SEPTEMBER 30, 2013

	LOW RENT 14.850a	FUND CAPITAL	PROGRAM	ARRA 14.885	HOUSING CHOICE VOUCHERS 14.871	SECTION 8 NEW CONSTRUCTION 14.182	REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING		STATE/ LOCAL
							14.866		
1001 OPERATING TRANSFERS IN	103,300	-	-	-	-	-	-	-	-
1002 OPERATING TRANSFERS OUT	-	(100,000)	-	-	-	-	-	-	-
1006 PROCEEDS FROM PROPERTY SALES	-	-	-	-	-	-	-	-	-
1007 EXTRAORDINARY ITEMS (NET GAIN/LOSS)	-	-	-	-	-	-	-	-	-
1008 SPECIAL ITEMS (NET GAIN/LOSS)	-	-	-	-	-	-	-	-	-
10091 INTERPROJECT EXCESS CASH TRANSFER IN	-	-	-	-	-	-	-	-	-
10092 INTERPROJECT EXCESS CASH TRANSFER OUT	-	-	-	-	-	-	-	-	-
1010 Total Other Financing Sources (Uses)	103,300	(100,000)	-	-	-	-	-	-	-
1000 EXCESS REVENUE OVER EXPENSES	(929,923)	743,766	16,697	16,697	295,647	(2,473)	(1,020)	(421)	
1103 BEGINNING EQUITY	15,138,077	2,517,985	-	-	250,796	(150,531)	5,219	25,015	-
1104 EQUITY TRANSFERS	2,269,707	(2,269,707)	-	-	-	-	-	-	-
1104 EQUITY TRANSFERS	-	-	-	-	-	-	-	-	-
1104 EQUITY TRANSFERS	-	16,697	(16,697)	-	-	-	-	-	-
1104 EQUITY TRANSFERS	-	-	-	-	100,188	(100,188)	-	-	-
1104 EQUITY TRANSFERS	-	-	-	-	-	222,650	-	-	-
1104 EQUITY TRANSFERS	-	-	-	-	-	30,542	-	-	-
1104 EQUITY TRANSFERS	-	-	-	-	-	-	-	-	-
1101 CAPITAL OUTLAYS ENTERPRISE FUND	-	-	-	-	-	-	-	-	-
ENDING EQUITY	16,477,861	1,008,741	-	-	646,631	-	4,199	24,594	-
1120 GROSS # UNITS	7,980	-	-	-	40,332	-	-	-	-
1121 # UNIT MONTHS LEASED	7,062	-	-	-	24,533	-	-	-	-
1117 ADMINISTRATIVE FEE EQUITY	-	-	-	-	45,315	-	-	-	-
1118 HOUSING ASSISTANCE PAYMENTS EQUITY	-	-	-	-	601,316	-	-	-	-
1161 LAND PURCHASES	-	-	-	-	-	-	-	-	-
1162 BUILDING PURCHASES	-	692,692	16,697	16,697	-	-	-	-	-
1163 FURNITURE & EQUIPMENT - DWELLING PURCHASES	-	68,134	-	-	-	-	-	-	-
1164 FURNITURE & EQUIPMENT - ADMINISTRATIVE PURCHASES	-	32,224	-	-	-	-	-	-	-
1165 LEASEHOLD IMPROVEMENT PURCHASES	-	15,185	-	-	-	-	-	-	-
1166 INFRASTRUCTURE PURCHASES	-	-	-	-	-	-	-	-	-
13510 CFP DREF SERVICE PAYMENTS	-	-	-	-	-	-	-	-	-
13901 REPLACEMENT HOUSING FACTOR FUNDS	-	-	-	-	-	-	-	-	-

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
FINANCIAL DATA SCHEDULE
SEPTEMBER 30, 2013

		BUSINESS				
		ACTIVITIES				
		COCC				
		ELIMINATIONS				
		TOTAL				
ASSETS						
CURRENT ASSETS						
CASH						
111 CASH UNRESTRICTED		208,865	322,096			3,731,745
115 CASH RESTRICTED FOR PAYMENT OF S/T DEBT		-	-	-		-
112 CASH RESTRICTED MODERNIZATION AND DEV		-	-	-		-
113 CASH OTHER RESTRICTED		-	-	-		782,291
114 CASH TENANT SECURITY DEPOSIT		4,850	-	-		78,104
100 TOTAL CASH		213,715	322,096	-		4,592,140
ACCOUNTS AND NOTES RECEIVABLE						
121 A/R - PRA PROJECTS		-	-	-		-
122 A/R - HUD PROJECTS		-	-	-		37,436
124 A/R - OTHER GOVT		-	-	-		810
125 A/R - MISC		38,625	-	-		50,705
126 A/R - TENANTS DWELLING RENT		5,403	-	-		55,424
126.1 ALLOWANCE FOR D A - TENANTS		(1,394)	-	-		(7,639)
126.2 ALLOWANCE FOR D A - OTHER		-	-	-		-
127 NOTES AND MORTGAGES RECEIVABLE		-	-	-		-
128 FRAUD RECOVERY		-	-	-		-
128.1 ALLOWANCE FOR FRAUD RECOVERY		-	-	-		-
129 ACCRUED INTEREST RECEIVABLE		-	-	-		-
120 TOTAL RECEIVABLES NET OF ALLOW		42,634	-	-		136,736
CURRENT INVESTMENTS						
131 INVESTMENTS - UNRESTRICTED		-	-	-		-
135 INVESTMENTS RESTRICTED PYMT S/T DEBT		-	-	-		-
132 INVESTMENTS - RESTRICTED		-	-	-		-
142 PREPAID COSTS		-	89,617	-		91,567
143 INVENTORIES - MATERIALS		-	1,246	-		1,246
143.1 ALLOWANCE FOR OBSOLETE INV		-	-	-		-
144 INTERPROGRAM DUE FROM		-	475,023	(475,023)		-
145 ASSETS HELD FOR SALE		-	-	-		-
150 TOTAL CURRENT ASSETS		256,349	887,982	(475,023)		4,821,689
NONCURRENT ASSETS						
FIXED ASSETS						
161 LAND		255,713	-	-		1,915,983
168 INFRASTRUCTURE		-	-	-		-
162 BUILDINGS		2,297,602	-	-		46,507,207
163 FURNITURE & EQUIPMENT - DWELLINGS		30,748	-	-		780,989
164 FURNITURE & EQUIPMENT - ADMINISTR		43,164	288,191	-		1,603,770
165 LEASEHOLD IMPROVEMENTS		25,020	77,412	-		932,411
167 CONSTRUCTION IN PROGRESS		-	-	-		-
166 ACCUMULATED DEPRECIATION		(1,694,750)	(276,124)	-		(35,864,094)
160 TOTAL FIXED ASSETS, NET OF DEPR		957,497	89,479	-		16,076,266
171 NOTES & MORTGAGES RECEIVABLE - N/C		979,517	-	-		979,517

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
FINANCIAL DATA SCHEDULE
SEPTEMBER 30, 2013

BUSINESS		ACTIVITIES	COCC	ELIMINATIONS	TOTAL
172	NOTES & MORTGAGES RECEIVABLE - FD	-	-	-	-
173	GRANTS RECEIVABLE - NONCURRENT	-	-	-	-
174	OTHER ASSETS	-	-	-	-
176	INVESTMENT IN JOINT VENTURES	-	-	-	-
180	TOTAL NONCURRENT ASSETS	1,937,014	89,479	-	17,055,783
190	TOTAL ASSETS	2,193,363	977,461	(475,023)	21,877,472
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
311	BANK OVERDRAFT	-	-	-	-
312	A/P < 90 DAYS	499	39,080	-	73,280
313	A/P > 90 DAYS	-	-	-	-
321	ACCURED WAGE/PAYROLL TAXES PAYABLE	2,074	19,620	-	49,139
322	ACCURED COMPENSATED ABSENCES	2,850	34,501	-	89,545
324	ACCURED CONTINGENCY LIABILITY	-	-	-	-
325	ACCURED INTEREST PAYABLE	-	-	-	-
331	ACCOUNTS PAYABLE - HUD PHA PROGRAMS	-	-	-	-
332	ACCOUNTS PAYABLE - PHA PROJECTS	-	-	-	-
333	ACCOUNTS PAYABLE OTHER GOVT	-	-	-	122,193
341	TENANT SECURITY DEPOSIT	4,850	-	-	78,528
342	DEFERRED REVENUES	-	-	-	2,240
343	CURRENT PORTION OF LT DEBT CAPITAL	-	-	-	-
344	CURRENT PORTION OF LT DEBT OPERATING	-	-	-	-
348	LOAN LIABILITIES - CURRENT	-	-	-	-
345	OTHER CURRENT LIABILITIES	-	-	-	-
346	ACCURED LIABILITIES - OTHER	-	-	-	-
347	INTERPROGRAM DUE TO	-	-	(475,023)	-
310	TOTAL CURRENT LIABILITIES	10,273	93,201	(475,023)	414,925
	NONCURRENT LIABILITIES				
351	LONG TERM DEBT NET OF CURRENT CAPITAL	-	-	-	-
352	LONG TERM DEBT NET OF CURRENT OPERATING	-	-	-	-
354	LONG TERM PORTION OF COMPENSATED ABSENC	2,850	34,501	-	89,547
355	LOAN LIABILITIES - OTHER	-	-	-	-
353	NONCURRENT LIABILITIES OTHER	-	-	-	180,975
350	TOTAL NONCURRENT LIABILITIES	2,850	34,501	-	270,522
300	TOTAL LIABILITIES	13,123	127,702	(475,023)	685,447
	EQUITY				
501	INVESTMENT IN GENERAL FIXED ASSETS	-	-	-	-
	CONTRIBUTED CAPITAL				
502	PROJECT NOTES (HUD)	-	-	-	-
503	LONG TERM DEBT - HUD GUARANTEE	-	-	-	-
504	NET HUD PHA CONTRIBUTIONS	-	-	-	-
505	OTHER HUD CONTRIBUTIONS	-	-	-	-
507	OTHER CONTRIBUTIONS	-	-	-	-
508	TOTAL CONTRIBUTED CAPITAL	-	-	-	-

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
FINANCIAL DATA SCHEDULE
SEPTEMBER 30, 2013

	BUSINESS ACTIVITIES	COCC	ELIMINATIONS	TOTAL
508.1	INVESTMENT IN CAPITAL ASSETS	957,497	-	16,076,266
	RESERVED FUND BALANCE			-
509	RESERVED FOR OPERATING ACTIVITIES			-
510	RESERVED FOR CAPITAL ACTIVITIES			-
511	TOTAL RESERVED BALANCE	-	-	-
511.1	RESTRICTED NET ASSETS	-	-	601,316
512	UNDESIGNATED FUND BALANCE/R/E	-	-	-
512.1	UNRESTRICTED NET ASSETS	1,222,743	-	4,514,443
513	TOTAL EQUITY	2,180,240	-	21,192,025
600	TOTAL LIABILITIES AND EQUITY	2,193,363	(475,023)	21,877,472
	REVENUE			-
703	NET TENANT RENTAL REVENUE	289,987	-	1,674,262
704	TENANT REVENUE - OTHER	3,530	-	159,693
705	TOTAL TENANT REVENUE	293,517	-	1,833,955
706	HUD PHA GRANTS	-	-	12,759,880
706.1	CAPITAL GRANTS RECEIVED	-	-	824,932
707.1	MANAGEMENT FEE	-	692,739	(692,739)
707.2	ASSET MANAGEMENT FEE	-	88,760	(88,760)
707.3	BOOK-KEEPING FEE	-	256,887	(256,887)
707.5	OTHER FEES	-	-	-
708	OTHER GOVT GRANTS	-	-	-
710	SEC 8 INCOME	-	-	-
711	INVESTMENT INCOME - UNRESTRICTED	1,698	-	11,839
712	MORTGAGE INTEREST INCOME	28,594	-	28,594
713	PROCEEDS FROM DISPOSITION OF ASSETS HELD FOR SALE	-	-	-
713.1	COST OF SALE OF ASSETS	-	-	-
714	FRAUD RECOVERY	318	-	20,351
715	OTHER REVENUE	502,006	311,401	734,187
716	GAIN OR LOSS ON THE SALE OF FIXED ASSETS	(1,121,541)	-	(1,121,541)
720	INVESTMENT INCOME - RESTRICTED	-	-	865
700	TOTAL REVENUE	(295,408)	1,353,564	15,093,032
	EXPENSES			-
	ADMINISTRATIVE	-	-	-
911	ADMINISTRATIVE SALARIES	31,316	613,556	1,144,991
912	AUDITING FEES	6,265	13,570	62,315
913	MANAGEMENT FEES	25,693	-	-
913.1	BOOKKEEPING FEE	19,923	-	(692,739)
914	ADVERTISING AND MARKETING	-	2,042	(256,887)
915	EMPLOYEE BENEFIT CONTRIBUTION	13,329	184,773	2,042
916	OFFICE EXPENSE	-	25,496	448,271
917	LEGAL	128,499	23,773	86,337
918	TRAVEL	469	24,755	225,083
919	OTHER OPERATING ADMINISTRATIVE	5,013	41,889	54,071
920	ASSET MANAGEMENT FEE	8,960	-	(125,424)
	TENANT SERVICES	-	-	(88,760)
921	TENANT SERVICES SALARIES	-	-	-
		-	-	43,070

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
FINANCIAL DATA SCHEDULE
SEPTEMBER 30, 2013

		BUSINESS		TOTAL	
		ACTIVITIES	COCC	ELIMINATIONS	TOTAL
922	RELOCATION COSTS	-	-	-	520
923	EMPLOYEE BENEFIT CONTRIBUTION	-	-	-	14,431
924	TENANT SERVICES OTHER	399	2,153	-	61,868
	UTILITIES	-	-	-	-
931	WATER	930	406	-	41,766
932	ELECTRICITY	3,306	20,546	-	141,197
933	GAS	1,765	4,047	-	18,855
934	FUEL	-	-	-	-
935	LABOR	-	-	-	-
936	SEWER	1,351	367	-	40,526
937	EMPLOYEE BENEFIT CONTRIBUTION UTILITY	-	-	-	-
938	OTHER UTILITIES	-	-	-	-
	ORDINARY MAINTENANCE & OPERATION	-	-	-	-
941	ORDINARY MAINT AND OP LABOR	38,619	2,761	(80,333)	440,021
942	ORDINARY MAINTENANCE AND OP MATERIALS	34,165	17,547	-	296,409
943	ORDINARY MAINTENANCE AND OP CONTRACT	123,591	52,837	-	485,587
945	EMPLOYEE BENEFIT CONTRIBUTION	22,071	22,965	(8,588)	240,572
	PROTECTIVE SERVICES	-	-	-	-
951	PROTECTIVE SERVICES - LABOR	9,086	-	(18,435)	126,530
952	PROTECTIVE SERVICES - OTHER CONTRACT COSTS	-	-	-	-
953	PROTECTIVE SERVICES - OTHER	-	-	-	-
955	EMPLOYEE BENEFIT CONTRIBUTION PS	1,013	-	(662)	14,208
	GENERAL EXPENSES	-	-	-	-
961	INSURANCE PREMIUMS	21,691	23,487	-	274,673
962	OTHER GENERAL EXPENSE	-	-	-	-
962.1	COMPENSATED ABSENCES	12,613	-	-	80,513
963	PAYMENTS IN LIEU OF TAXES	-	-	-	135,146
964	BAD DEBT - TENANT	10,488	-	-	30,004
965	BAD DEBT - MORTGAGES	-	-	-	-
966	BAD DEBT - OTHER	-	18,214	-	18,214
967	INTEREST EXPENSE	-	-	-	-
967.3	AMORTIZATION OF BOND ISSUR COSTS	-	-	-	-
968	SEVERANCE EXPENSE	-	-	-	-
969	TOTAL OPERATING EXPENSES	520,555	1,094,384	(1,271,828)	4,768,180
970	EXCESS OPERATING REVENUE OVER OP EXP	(815,963)	259,180	-	10,324,852
971	EXTRAORDINARY MAINTENANCE	-	-	-	-
972	CASUALTY LOSSES - NON CAPITALIZED	-	-	-	-
973	HAP	-	-	-	9,406,226
973.5	HAP - PORTABILITY IN	-	-	-	41,468
974	DEPRECIATION EXPENSE	130,095	14,522	-	1,459,585
975	FRAUD LOSSES	-	-	-	-
976	CAPITAL OUTLAYS GOVT FUNDS	-	-	-	-
977	DEBT PRINCIPAL PAYMENT GOVT FUNDS	-	-	-	-
978	DWELLING UNITS RENT EXPENSE	-	-	-	-
900	TOTAL EXPENSES	650,650	1,108,906	(1,271,828)	15,675,459

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
FINANCIAL DATA SCHEDULE
SEPTEMBER 30, 2013

BUSINESS		ACTIVITIES	COC	ELIMINATIONS	TOTAL
1001	OPERATING TRANSFERS IN	-	-	-	103,300
1002	OPERATING TRANSFERS OUT	-	(3,300)	-	(103,300)
1006	PROCEEDS FROM PROPERTY SALES	-	-	-	-
1007	EXTRAORDINARY ITEMS (NET GAIN/LOSS)	-	-	-	-
1008	SPECIAL ITEMS (NET GAIN/LOSS)	-	-	-	-
10091	INTERPROJECT EXCESS CASH TRANSFER IN	-	-	-	-
10092	INTERPROJECT EXCESS CASH TRANSFER OUT	-	-	-	-
1010	Total Other Financing Sources (Uses)	-	(3,300)	-	-
1000	EXCESS REVENUE OVER EXPENSES	(946,058)	241,358	-	(582,427)
1103	BEGINNING EQUITY	3,182,252	805,639	-	21,774,452
1104	EQUITY TRANSFERS	-	-	-	-
1104	EQUITY TRANSFERS	-	-	-	-
1104	EQUITY TRANSFERS	-	-	-	-
1104	EQUITY TRANSFERS	-	(222,650)	-	-
1104	EQUITY TRANSFERS	(30,542)	-	-	-
1104	EQUITY TRANSFERS	(25,412)	25,412	-	-
1101	CAPITAL OUTLAYS ENTERPRISE FUND	-	-	-	-
	ENDING EQUITY	2,180,240	849,759	-	21,192,025
1120	GROSS # UNITS	896	-	-	49,208
1121	# UNIT MONTHS LEASED	620	-	-	32,215
1117	ADMINISTRATIVE FEE EQUITY	-	-	-	45,315
1118	HOUSING ASSISTANCE PAYMENTS EQUITY	-	-	-	601,316
1161	LAND PURCHASES	-	-	-	-
1162	BUILDING PURCHASES	-	-	-	709,389
1163	FURNITURE & EQUIPMENT - DWELLING PURCHASES	-	-	-	68,134
1164	FURNITURE & EQUIPMENT - ADMINISTRATIVE PURCHASES	-	-	-	32,224
1165	LEASEHOLD IMPROVEMENT PURCHASES	-	-	-	15,185
1166	INFRASTRUCTURE PURCHASES	-	-	-	-
13510	CFFP DEBT SERVICE PAYMENTS	-	-	-	-
13901	REPLACEMENT HOUSING FACTOR FUNDS	-	-	-	-

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

SHREVEPORT, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SEPTEMBER 30, 2013

Section I: Summary of Auditor's Results:

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unmodified	
Internal Control over financial reporting:		
Are material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are significant deficiencies that are not considered to be material weaknesses identified?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None Reported
Is noncompliance that could have a material effect on the financial statements identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

FEDERAL AWARDS

Internal control over major programs:		
Are material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None
Are significant deficiencies that are not considered to be material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported
Type of report issued on compliance with requirements applicable to each major program:	Unmodified	
Are there any audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Identification of major programs:

<u>Name of Federal Program</u>	<u>CFDA No.</u>
Low Rent Public Housing	14.850a
Housing Choice Vouchers	14.871
Public Housing Capital Fund Program	14.872

Dollar threshold used to distinguish between type A and type B programs: \$407,543

Is the auditee identified as a low-risk auditee? ☐ Yes ☒ No

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SEPTEMBER 30, 2013

Section II: Financial Statement Findings:

Prior Year Findings and Questioned Costs:

Finding 12 – 01 – Timely Completion and Submission of Annual Audit

Condition and Cause:

The Authority failed to make available financial records to the auditors in a timely manner in order to meet the six month audit filing deadline requirements of the Louisiana Governmental Audit Guide and the Legislative Auditor's Office.

Current Year Status

This finding is repeated in the current year as finding 13 – 01.

Section II: Financial Statement Findings:

Current Year Findings and Questioned Costs:

Finding 13 - 01 – Timely Completion and Submission of the Annual Audit

Criteria:

Pursuant to the requirements of Louisiana Revised Statute 24:513, the Authority is required to make available financial records to the auditors in a timely manner in order to meet the six month audit filing deadline requirements of the Louisiana Governmental Audit Guide and the Louisiana Legislative Auditor's Office.

Condition and Cause:

The Authority failed to make available financial records to the auditors in a timely manner in order to meet the six month audit filing deadline requirements of the Louisiana Governmental Audit Guide and the Legislative Auditor's Office.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

SHREVEPORT, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

SEPTEMBER 30, 2013

Section II: Financial Statement Findings - continued:

Current Year Findings and Questioned Costs – Continued:

Finding 13 – 01 – Timely Completion and Submission of Annual Audit -- Continued

Recommendation:

We recommend that the Authority review procedures in order to insure the timely completion of financial records and the submission of the annual audit report.

Reply:

Richard Herrington, Executive Director indicates that the Authority will review procedures involving the timely completion of financial records and submitting of audit reports.

THE HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
SHREVEPORT, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SEPTEMBER 30, 2013

Section III: Federal Award Findings and Questioned Costs:

Prior Year Findings and Questioned Costs:

Finding 12 – 02 – Section 8 HQS Deficiencies

Housing Choice Vouchers – CFDA 14.871; Grant period – Year ended September 30, 2012

Condition & Cause:

HQS inspections were tested for compliance in the current fiscal year. Of the 16 failed HQS inspections selected for review: 9 units were not re-inspected within the 30 day requirement; and 1 unit did not have evidence that it had been inspected during the audit period.

Current Year Status

The Auditors reviewed a sample of 40 Housing Choice Voucher tenant files. Of the 40 items in the sample, all HQS inspection failures were re-inspected within the 30-day time frame required. This finding has been cleared.

Finding 12 – 03 – Low Rent Public Housing Waiting List

Low Rent Public Housing – CFDA No. 14.850a; Grant period – year ended September 30, 2012

Condition & Cause:

A sample of ten applicants was taken from the Low Rent waiting list. Of the ten sample items selected, three of the applicants had been withdrawn from the list, and no activity could be determined for the other seven applicants. Based on the test sample, the auditor determined that the Low Rent Public Housing is not maintaining an up-to-date waiting list.

Current Year Status:

Auditors compared 10 applications from the waiting list to the move-in list. Of the 10 items in the sample, 3 were removed from the waiting list at the applicant's request and seven applicants appeared to never have had their application processed or reviewed.

This Finding is repeated in the current year. See Finding 13 - 02.

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SEPTEMBER 30, 2013

Section III: Federal Award Findings and Questioned Costs - continued:

Prior Year Findings and Questioned Costs – continued:

Finding 12 – 04 – Replacement Housing Mismanagement of Funds

Capital Fund Program – Replacement Housing Factor (RHF) - CFDA No. 14.872; Grant period – year ended September 30, 2012

Condition and Cause:

The auditors were notified that the funds expended for Capital Fund Program – Replacement Housing Factor grants 501.07 and 501.08, (grant amounts of \$396,213 and \$317,041, respectfully) were expended inappropriately. The funds had not been expended to develop or acquire new public housing rental units as stated by the grant requirements, but instead, had been used to modify existing public housing properties.

Current Year Status:

The mismanagement of the Replacement grant funds took place under a previous administration at the Authority. The current administration has notified the New Orleans HUD Office of the mismanagement of the funds and requested that the New Orleans HUD Office notify the Authority on how to proceed to correct the issue. As of the audit date, no corrective plan has been determined.

There was no noncompliance in the current year. This finding has been cleared.

Finding 12 – 05 – Housing Choice Vouchers Tenant Files

Housing Choice Vouchers – CFDA 14.871; Grant period – Year ended September 30, 2012

Condition & Cause:

A current year review of tenant files revealed a situation of continued errors and omissions in most of the files that leads to incomplete tenant documentation. The results of the review are as follows:

1. Of the 40 tenant files, reviewed, 2 did not contain an approved lease
2. Of the 40 tenant files reviewed, 1 did not contain a current HAP contract.
3. Of the 40 files reviewed, 8 did not contain documentation of an annual inspection.
4. Of the 40 files reviewed, 1 did not contain a birth certificate.

Current Year Status:

This finding is repeated as Finding 13 – 03.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SEPTEMBER 30, 2013

Section III: Federal Award Findings and Questioned Costs - continued:

Current Year Findings and Questioned Costs

Finding 13 – 02 – Low Rent Public Housing Waiting List

Low Rent Public Housing – CFDA No. 14.850a; Grant period – year ended September 30, 2013

Criteria:

The Code of Federal Regulations provides guidance on the Low Rent Public Housing waiting list. Specifically, 24 CFR Part 960.206 and 960.208 provides the compliance requirements for administration of the Low Rent Public Housing waiting list.

Condition & Cause:

A sample of ten applicants was taken from the Low Rent waiting list. Of the ten sample items selected, eight of the applicants had been withdrawn from the list, and the remaining two applicants were not housed in accordance with the Authority's waiting list policy. Based on the test sample, the auditor determined that the Low Rent Public Housing is not in compliance with the Authority's waiting list policy.

Questioned Costs – None Identified

Recommendation:

We recommend that the Authority create procedures to strengthen their control systems in relation to the Low Rent Public Housing waiting list.

Reply:

The Authority has transferred the pre-leasing functions to administrative staff in order to ensure better consistency in the process. Richard Herrington, Executive Director, expects the deficiencies which led to this finding to be cleared in fiscal year 2014.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SEPTEMBER 30, 2013

Section III: Federal Award Findings and Questioned Costs - continued:

Current Year Findings and Questioned Costs – continued:

Finding 13 – 03 – Housing Choice Vouchers Tenant Files

Housing Choice Vouchers – CFDA 14.871; Grant period – Year ended September 30, 2013

Criteria:

The Code of Federal Regulations and HUD guidelines give the requirements for maintaining the tenant files for the Public Housing and Housing Choice programs. Specifically, HUD regulations CFR Parts 982.305 and 982.405 require Authorities to inspect units leased under the HCV program at the time of initial leasing and at least annually thereafter to ensure the units meet HQS. In addition, 24 CFR Part 960.253 gives the requirements for choice of rent and use of utility allowances. Also, the Authority's policy and procedure dictates full compliance with these regulations, as well as guidelines to be followed in maintaining these files.

Condition & Cause:

A current year review of tenant files revealed a situation of continued errors and omissions in most of the files that leads to incomplete tenant documentation. The results of the review are as follows:

1. Of the 40 tenant files, reviewed, 11 did not contain a tenancy approval form.
2. Of the 40 tenant files reviewed, 4 did not contain a current HAP contract.
3. Of the 40 files reviewed, 1 did not contain a lead based paint form.

Questioned Costs – Not determinable

Recommendation:

We recommend that the Authority utilize a standard filing system based upon a checklist and issue this to all required personnel. We recommend that supervisors and managers review on a monthly basis a random sample of all files to determine compliance with federal guidelines and the Authority's policy.

Reply:

The Authority has made staffing changes at the senior management level for Housing Choice Vouchers and is in the process of strengthening its internal controls. The staffing changes and additional internal controls will correct the failure to meet federal guidelines and the Authority's policy. Richard Herrington, Executive Director, expects the deficiencies which led to this finding to be cleared in fiscal year 2014.